

## HOUSE BILL No. 1358

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-2-4.

**Synopsis:** Tax deduction for overseas military service. Provides that an Indiana resident who is serving outside the United States on active duty in the armed forces is entitled to an income tax deduction for the first \$12,000 of income received during the taxable year for the individual's military service.

**Effective:** January 1, 2005.

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**Van Haaften, Stevenson**

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January 20, 2004, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1358

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-3-2-4 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JANUARY 1, 2005]: Sec. 4. (a) As used in this section,  
3 "United States" means the United States of America and includes  
4 all territory subject to the jurisdiction of the United States of  
5 America.

6 (b) Each taxable year, an individual who:

7 (1) is a resident of Indiana; and

8 (2) is serving outside the United States on active duty in the  
9 armed forces of the United States, including the army, navy,  
10 air force, coast guard, marine corps, merchant marine,  
11 Indiana army national guard, or Indiana air national guard;  
12 is entitled to an adjusted gross income tax deduction equal to the  
13 first twelve thousand dollars (\$12,000) of income received during  
14 the taxable year by the individual for the individual's service  
15 described in subdivision (2).

16 (c) Each taxable year, an individual or the individual's surviving  
17 spouse who is not entitled to a deduction under subsection (b) is

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1 entitled to an adjusted gross income tax deduction for the first two  
2 thousand dollars (\$2,000) of income, including retirement or survivor's  
3 benefits, received during the taxable year by the individual or the  
4 individual's surviving spouse for the individual's service in an active or  
5 reserve component of the armed forces of the United States, including  
6 the army, navy, air force, coast guard, marine corps, merchant marine,  
7 Indiana army national guard, or Indiana air national guard. However,  
8 a person who is less than sixty (60) years of age on the last day of the  
9 person's taxable year is not, for that taxable year, entitled to a deduction  
10 under this section for retirement or survivor's benefits.

11 SECTION 2. [EFFECTIVE JANUARY 1, 2005] **IC 6-3-2-4, as**  
12 **amended by this act, applies only to taxable years that begin after**  
13 **December 31, 2004.**

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